

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

HB 3142 – SB 3100

June 3, 2010

SUMMARY OF AMENDMENT (019383): Requires the respondent of an order of protection that has been extended pursuant to a hearing to execute a bond of not less than \$2,500 or deposit a sum of money in cash equal to the amount of the bond with the court clerk until the order of protection expires. The clerk may deposit funds received in lieu of bonds or any funds received from forfeiture of bonds in an interest bearing account. Any interest received from the accounts will be payable to the clerk. Requires the court to enter an order declaring the bond to be forfeited if the respondent does not comply with the conditions of the bond. The respondent will have 30 days from the date of the forfeiture to prove that compliance with the conditions of the bond have been met. After the 30-day period, the court shall enter a judgment for the amount of the bond and the costs of the court proceedings. The proceeds from the judgment will be paid on a quarterly basis to the Administrative Office of the Courts and shall be split equally to provide legal representation to low-income Tennesseans in civil matters including the Legal Services Corporation funded organizations, the Domestic Violence State Coordinating Council, the Tennessee Court Appointed Special Advocates Association (CASA), and Childhelp.

FISCAL IMPACT OF ORIGINAL BILL:

Increase State Expenditures - \$481,000/Domestic Violence Community Education Fund

FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

Increase State Revenue - Not Significant

Increase State Expenditures – Not Significant

Increase Local Revenue – Not Significant

Increase Local Expenditures – Not Significant

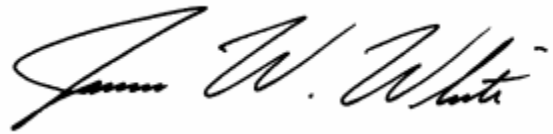
Other Fiscal Impact – Any proceeds from judgments against the respondent for forfeiture of the bond will be divided among organizations that provide legal representation to low-income citizens, the Domestic Violence State Coordinating Council, CASA, and Childhelp. An exact amount of proceeds that will be collected and disbursed to these organizations is not able to be determined but is estimated to exceed \$100,000.

Assumptions applied to amendment:

- A small increase in cases in the court system, which will result in additional state and local government expenditures for processing the cases and additional state and local government revenue from fees, taxes and costs collected. These expenditures and revenue are estimated to be not significant.
- Any interest earned on the cash deposited in lieu of the bonds or on forfeited bonds will not result in a significant increase in local revenue.
- According to the Department of Finance and Administration, approximately 7,400 orders of protection are served annually.
- If at least one-fourth of those orders are extended, there would be approximately 1,850 ($7,400 / 4$) respondents subject to a bond of at least \$500.
- If 10 percent, or 185 ($1,850 \times 10\%$), are determined to be non-compliant with the bond requirements, the bond would be forfeited resulting in an increase in revenue of at least \$462,500 ($185 \times \$2,500$).
- An exact amount of bond forfeitures cannot be determined, but it is reasonably estimated that any increase in revenue for organizations providing legal representation to low-income citizens, the Domestic Violence State Coordinating Council, CASA, and Child Health USA will exceed \$100,000.
- The AOC will not incur a significant increase in expenditures to collect the proceeds of the forfeited bonds on a quarterly basis and distribute the funds equally.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "James W. White". The signature is fluid and cursive, with the first name "James" written in a larger, more prominent script than the last name "White".

James W. White, Executive Director

/kml